

2007 GENERAL SESSION

Health and Human Services Department of Human Services

APPROPRIATION SUMMARY & BUDGET HIGHLIGHTS

BUDGET SUMMARY

The Subcommittee oversees the budgets of all divisions in the Department of Human Services except the Division of Juvenile Justice Services. Overall, the FY 2008 appropriated budget is \$43,837,200 over the FY 2007 revised budget which represents an 8.0 percent increase. State General Funds increased by 26,136,900 or 10.1 percent.

MAJOR FUNDING INITIATIVES

Department of Human Services

- Provider Contract COLAs - \$5.97 million (6%)
- Federal Medical Assistance Rate Change - (\$1.99 million)

Substance Abuse

- Drug Courts - \$870,000 ongoing and \$870,000 one-time
- Substance Abuse Treatment for Women - \$2,525,600 ongoing
- SB 50 Drug Offenders Reform Act - \$5,456,300 ongoing and (\$606,300 one-time)

Mental Health

- Non-Medicaid Mental Health Services - \$2,715,200 ongoing
- Veteran's Counseling - \$200,000 one-time and \$70,000 from internal savings
- Children's Center - \$500,000 one-time
- State Hospital Medical Care - \$435,000 (07 Supplemental)

People with Disabilities

- Waiting List - \$1,000,000 ongoing
- Medicaid Waiver Services - \$1,200,000 ongoing
- Supported Employment Pilot - \$150,000 one-time
- HB 47 Family Preservation - \$200,000 one-time

Office of Recovery Services

- Replacement of Loss of federal Incentive Funds as Match - \$2,427,400 ongoing and (\$606,800) one-time

Child and Family Services

- 24 Additional Caseworkers - \$762,000 ongoing and \$762,900 from internal savings
- Purchase of 12 vehicles for the 24 caseworkers with internal savings of \$145,200
- David C. Court Monitor of \$269,500 with internal savings
- HB 245, 'Child Welfare Amendments' - \$161,000 ongoing and \$83,600 one-time
- DCFS Salary Compression - \$200,000 ongoing (additional 0.57 percent)
- Baby Drop-off - \$30,000 one-time

Aging and Adult Services

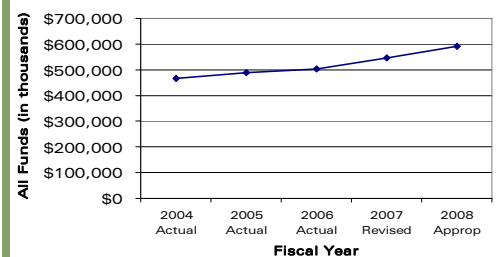
- Nursing Home Prevention Waiver - \$340,000 ongoing
- Meals on Wheels - \$146,000 ongoing
- Aging Caregiver Program - \$300,000 one-time
- Maintenance for Senior Centers - \$55,000 one-time

Total Appropriations

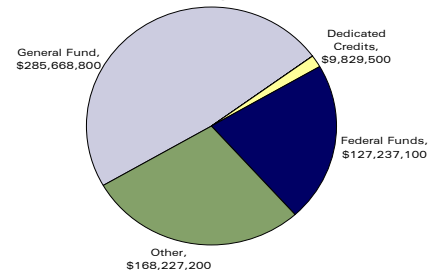
FY 2006 Actual	\$504,522,100
State Funds	\$233,919,300
FY 2007 Revised	\$547,125,400
State Funds	\$259,531,900
FY 2008 Appropriated	\$590,962,600
State Funds	\$285,668,800

Percent Change FY06/FY07 Rev	8.4%
State Fund Increase/(Decrease)	10.9%
Percent Change FY07 Rev/FY08	8.0%
State Fund Increase/(Decrease)	10.1%

Department of Human Services Budget History



Department of Human Services FY 2008 Funding Mix



MEMBERS OF THE JOINT APPROPRIATIONS SUBCOMMITTEE

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Debbie Headden,
Fiscal Analyst,
Human Services

Bill Greer,
Fiscal Analyst,
Health

The list of major funding initiatives does not include all items funded during the 2007 General Session. A comprehensive list is available upon request and will be included in the 2007-2008 Appropriations Report.



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NOTE: All figures represented in this summary are preliminary. Final appropriation figures, including gubernatorial vetoes, will be reflected in the 2007 - 2008 Appropriations Report.

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2007 GENERAL SESSION

Health and Human Services Department of Health

APPROPRIATION SUMMARY & BUDGET HIGHLIGHTS

BUDGET SUMMARY

The mission of the Department of Health is to protect the public's health through preventing avoidable illness, injury, disability, and premature death; assure access to affordable, quality health care; and promote health lifestyles.

The Department administers the Medical Assistance Program (Medicaid) and the Children's Health Insurance Program (CHIP), both of which cover health and medical needs for specific populations who meet eligibility criteria. Both are state-federal programs with the federal government providing the major portion of the funding. Medicaid is an entitlement program by federal law, which means that a person who is deemed eligible is entitled to the entire array of Medicaid services, which the State must fund. Long-term historical data has shown significant and continual growth until March of 2006 when a gradual decline began. Inflationary factors and utilization are still the two major cost drivers of Medicaid. The caseload mix is shifting toward a more expensive clientele. CHIP enrollment has been closed since September 2006.

MAJOR FUNDING INITIATIVES

Medicaid continues to be the driver for the Department's budget even though state fund growth was held to 3.11 percent due to lower caseload growth and savings realized from federal and state sources. The following items were approved:

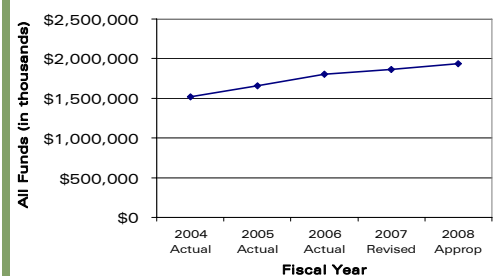
- Federal Medical Assistance Percentage (FMAP) rate change saved the State \$10,135,900 General Fund in FY 2008.
- The Medicaid FY 2007 one-time General Fund amount of \$19,649,000 was replaced with ongoing General Fund for FY 2008.
- Medicaid Utilization and Caseload Growth - \$9,658,300 (\$3,049,600 General Fund) estimated primarily for utilization and growth of specific populations and services.
- Medicaid Inflation/Provider Reimbursement Rates - \$48,027,600 (\$15,303,800 General Fund) to fund the Medicaid inflation. This impacts the rates paid to providers of Medicaid services. Rates range from 2.5 percent up. All providers got some increase.
- Medicaid adult dental services - \$6,958,900 (\$2,000,000 one-time General Fund). Adult dental services were continued for another year pending recommendations of the Medicaid Interim Committee.
- Children's Health Insurance Program (CHIP) - \$19,880,800 (2,000,000 ongoing General Fund) to expand enrollment by approximately 11,800 children.
- Medical Examiner - \$270,000 ongoing General Fund to cover caseload growth and increased transportation costs.
- Baby Watch/Early Intervention - \$2,280,600 ongoing General Fund to provide resources for both caseload growth and provider increases for services to disabled children 0-3 years old.
- Utah Birth Defect Network - \$360,000 ongoing General Fund for FY 2008 and \$173,000 one-time General Fund for FY 2007 to continue the efforts to identify and treat birth defects.
- Primary Care Grants - \$500,000 ongoing General Fund replaces the one-time funding in FY 2007 and increases the program.
- Immunization Vaccine Funding - \$500,000 one-time General Fund to provide additional vaccine to underinsured children.
- Antiviral Medication Stockpile - \$750,000 one-time General Fund to enable Utah to enhance disaster preparation with discounted medication and federal funding participation.
- Local Health Departments - \$500,000 one-time General Fund for disaster planning and to strengthen the Medical Service Corps.

Total Appropriations

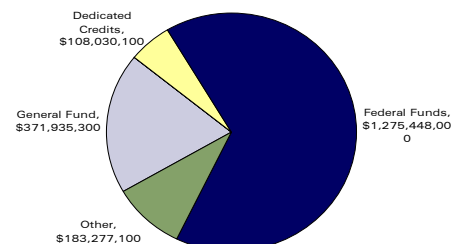
FY 2006 Actual	\$1,802,860,400
State Funds	\$338,491,900
FY 2007 Revised	\$1,866,438,700
State Funds	\$357,951,300
FY 2008 Appropriated	\$1,938,690,500
State Funds	\$371,935,300

Percent Change FY06/FY07 Rev	3.5%
State Fund Increase/(Decrease)	5.7%
Percent Change FY07 Rev/FY08	3.9%
State Fund Increase/(Decrease)	3.9%

Department of Health Budget History



Department of Health FY 2008 Funding Mix



BUDGET POLICY INITIATIVES

- Consolidation of the Medicaid Eligibility Systems was effected by transferring \$14,784,900 (\$6,563,100 General Fund), 255 FTE and 10 vehicles from Health to Workforce Services.
- SCR 7 Resolution Approving Settlement of Lawsuit - \$7,000,000 (\$2,090,200 one-time General Fund) to settle lawsuit with Rocky Mountain Care regarding Medicaid nursing home reimbursement rates.
- SB 42 Preferred Prescription Drug List was passed by the Legislature. Savings were authorized for use by the Department to increase provider rates.
- HB 137 Pain Medicaid Management and Education - \$150,000 ongoing General Fund for two years to fund a study of drug issues in the workplace.
- SB 189 Medicaid Home and Community-Based Long-Term Care - \$214,000 one-time General Fund to pay room and board to keep individuals out of nursing homes.

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